BRITISH COLUMBIA

BC STATS Infoline

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highlights

a weekly digest of recently released British Columbia statistics

Private and Public Investment Intentions

- **BC private and public sector organizations surveyed this spring were slightly more optimistic about their investment plans for 2002 than they had been at the end of last year.** They expect investment to drop 0.4% during 2002, but had predicted a 1.2% decline the last time they were surveyed. Planned spending on machinery and equipment this year is forecast to fall 3.3%, but a 1.5% increase in construction will help mitigate the decline. BC's hot housing market is expected to boost the total, with spending on residential projects increasing 13.0%. However, planned investment in non-residential structures is forecast to fall 6.5%.

  Once again, the public sector is expected to boost overall investment, with anticipated spending growth of 7.5%. Investment by federal (+27.4%) and local (+15.6%) government departments is forecast to continue to rise, but planned investment by the provincial government is down 27.5% from last year. In the private sector, spending is forecast to drop off 2.7%, as investment plans are put on hold in many industries. However, spending in the utilities (+22.0%), wood manufacturing (+15.5%), and accommodation and food services (+14.0%) industries is expected to grow at double-digit rates. *Source: Statistics Canada*

- **The Canadian forecast was also more optimistic than it had been at the end of last year.** Investment is expected to grow 3.0% during 2002, reversing a 1.0% decline predicted last year. The increase is forecast to come from public sector spending (+16.1%). The level of private sector investment is expected to be flat this year. Planned spending is up in most parts of the country. BC, Alberta (-3.0%) and two of the territories are the only regions where spending is forecast to drop off this year. Both NWT
  (-11.8%) and Nunavut (-14.1%) are expecting to see substantial declines in investment. Strong gains are anticipated in eastern Canada, led by a 14.9% advance in Nova Scotia.

  Source: Statistics Canada

Prices

- **British Columbia's all-items consumer price index (CPI) increased 1.6% during the twelve-month period ending in June.** The province's inflation rate would have been even higher (2.4%) if energy prices had not been included. The cost of energy peaked last summer, but has moderated somewhat since then, and this is reflected in the annual inflation rate. Prices for piped gas (-13.1%), fuel oil (-6.1%) and gasoline (-6.1%) were well below June 2001 levels. Overall, consumers paid 6.0% less for energy products than they did a year ago.

  The cost of consumer goods and services was pushed up by higher prices for food (+2.8%), household operations (+2.7%), transportation (+1.8%) and health and personal care (+1.9%). In addition, taxes on tobacco products kept the alcohol and tobacco component of the CPI up substantially (+14.0%) from June 2001. Prices for food items increased almost across the board, although coffee and tea drinkers (-4.1%) and seafood lovers (-1.5%) obtained some relief from higher prices. Shelter costs (-0.4%) also helped put the brakes on inflation, largely because utilities are an important component of the index. However, the cost of owned accommodation, which had been falling in recent months in tandem with the decline in interest rates, was up 0.1% in June. Clothing prices fell

Report **Performance of BC youth in reading, math & science**

Did you know...
At any given time, about a third of employed Canadians are doing shift work. About a quarter of them work evenings and nights.

0.4%, but this was offset by a similar increase (+0.5%) in the cost of recreation, education and reading materials. *Source: Statistics Canada*

- **Canada's year-over-year inflation rate was 1.3% last month.** Yukon (+0.0%), Alberta (+0.5%) and Manitoba (+0.6%) were the only regions where the inflation rate was below one percent. In the rest of Canada, inflation rates ranged from 1.2% in Ontario to 2.7% in NWT. Victoria's inflation rate was 2.1% in June; in Vancouver, the CPI increased a more modest 1.7%. *Source: Statistics Canada*

The Economy

- **Exports of BC products increased 1.3% (seasonally adjusted) in May, on the strength of a surge (+4.2%) in the value of shipments to the US.** There were widespread gains, led by a 20.9% rise in energy exports to the US. Shipments by the forest sector advanced 4.0% as BC producers took advantage of a brief respite from the countervailing duty on softwood lumber. Producers of agriculture and fish products (+3.8%) and industrial and consumer goods (+0.6%) also increased their exports to the States. However, shipments of machinery, equipment and autos were down 1.8%. The value of goods shipped to overseas destinations fell 5.3% in May, with declines posted in three of five commodity groups. Canadian exports were off 1.9% in May, largely because of slumping shipments overseas (-3.5%). Total exports to the US rose 4.7%. *Source: Statistics Canada & BC STATS*

- **The number of British Columbians receiving regular employment insurance (EI) benefits was up 0.5% (seasonally adjusted) in May.** BC and PEI (-0.1%) were the only regions where the number of EI recipients did not increase substantially. Nationally, there were 554,190 EI beneficiaries in May, 4.2% more than in the previous month. *Source: Statistics Canada*

- **Retail sales in the province rose 1.0% in May (seasonally adjusted) as retailers in the province posted the second-strongest increase in the country, after Yukon (+6.7%).** Canadian sales fell in May (-1.3%) as sales slumped or were flat in seven regions. *Source: Statistics Canada*

Film, video and audio-visual production

- **BC film producers saw their share of national production revenue rise to 14% in 1999/2000, more than double the 6% share the province had in 1998/99.** Total revenues amounted to $197 million. Revenues from all Canadian film productions reached $1.4 billion in 1999/2000, up from just $581,000 in 1991/92. Almost two-thirds (62%) of the revenues came from sales of television programs. Advertising sales represented 12% of the total, while feature films made up 4%.

  The Canadian film industry is highly export oriented. Export revenues accounted for $592 million of the $1.4 billion earned by the industry in 1999/2000. Nearly a quarter (23%) of those export revenues were earned by BC producers. Ontario (68%) was the only province with a bigger share of the national total. Exports accounted for 69% of total sales by BC film producers. Homegrown film productions represent only a portion of the actual filming activity that takes place in the province. These figures do not include location shooting by foreign film producers, service production for other producers, work by the National Film Board, or in-house production by TV stations. *Source: SC, The Daily*

Internet Use

- **Last year, nearly two-thirds (65%) of all households in BC had at least one regular Internet user.** This was nearly double the percentage (33.2%) in 1997. Internet use in BC and Alberta (also at 65%) was the highest in the country. The national average was 60%, with rates in the rest of the country ranging from a low of 50% in Newfoundland to 64% in Ontario. In BC, 54% of households had a regular Internet user who logged on at home, while 32% used the net at work. Eight percent had a user who accessed the Internet from a public library and 22% went online at school. BC and Ontario (53%) were the provinces with the highest Internet usage at home, while Albertans (38%) were the most likely to be using the Internet at work. *Source: Statistics Canada*

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For data originating from Statistics Canada: data sourced to 'Statistics Canada' has been retrieved from CANSIM, the agency's electronic database (www.statcan.ca); otherwise the source is identified as 'SC' plus the publication name or catalogue number.

July 26, 2002 *Infoline Report:* **Performance of BC Youth in Reading, Math, and Science**

Contact: Anne Kittredge, (250) 387-0374

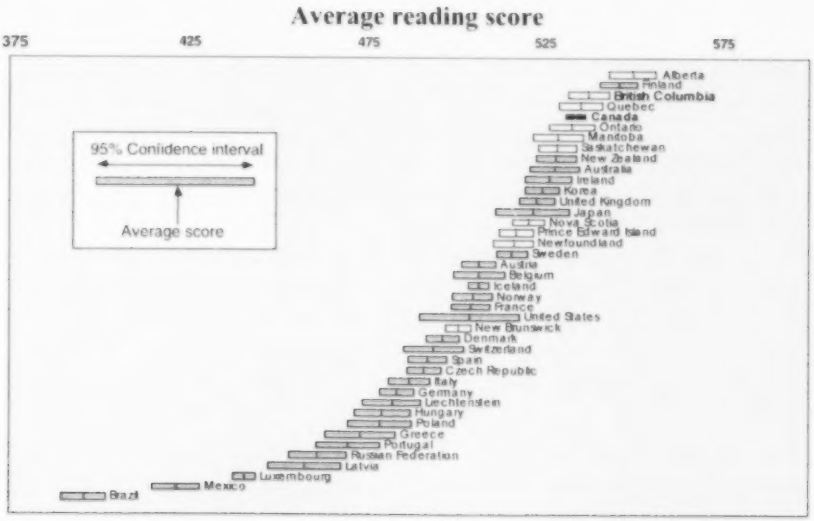
Originally published in *Earnings and Employment Trends*, June 2002. Annual Subscription $60 + GST.

The Performance of BC Youth in Reading, Math and Science

So often in Canada, the public perception is that our high school graduates are not up to scratch with the rest of the developed world. This month, the results of a satisfaction survey of parents, students and teachers regarding the BC education system were released. Parents of secondary school students re-enforced this public perception. While not actually damning the education system, they did not come out with particularly glowing reports. Two-thirds of parents were satisfied with their child's overall learning accomplishments. Among reading, writing and math, reading skills received the best grade of 64 per cent being satisfied "all of the time" or "many times". That number fell off to 57 per cent for writing skills and 52 per cent for math skills.

Contrary to this less than positive public perception, Canada's education system does very well in international comparisons of the academic skills of its students. The OECD "Programme for International Student Assessment, 2000" (PISA) tested 15 year old students in 31 countries in the areas of reading, mathematics and science. Canadian students performed very well in all three areas, ranking 2nd to Finland in Reading, and 5th in both Math and Science. Canada was among only a very few countries that ranked near the top in all three subjects.

Canada rates near the top of the world in Reading, Mathematics and Science



Source: Programme for International Student Assessment, 2000.

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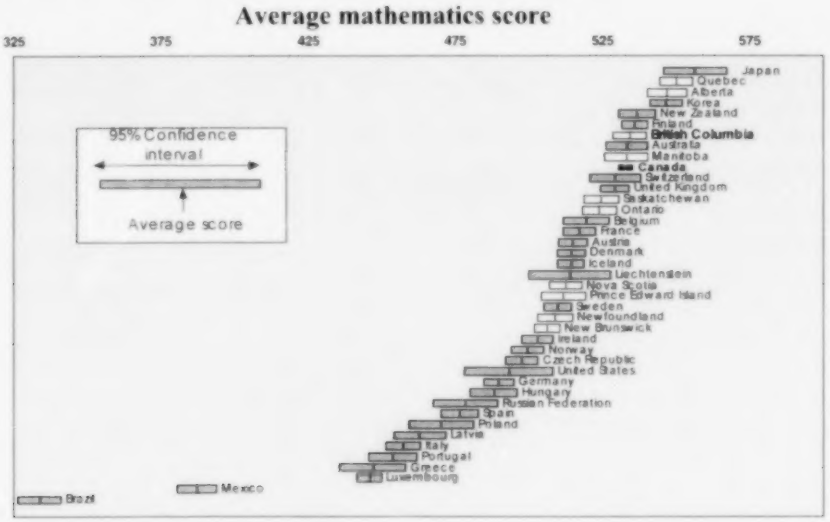
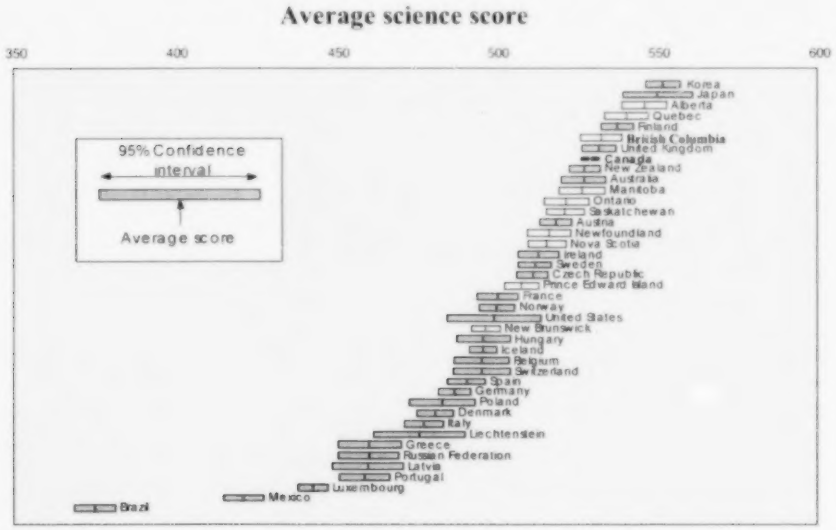


Source: Programme for International Student Assessment, 2000.



The three charts show not only Canada's position among 31 OECD countries, but also the provinces' rankings compared to these international standards. In all three skills, BC is above the Canadian average and positioned near the top among all countries. Of particular interest is how Alberta shines in all three subject matters and Quebec does very well in all three but particularly in Math where they are almost on a par with Japanese students. While BC students performed very well in these tests, there may be lessons to learn from the education structures of Alberta and Quebec.

There is further detail and analysis on the results of this international study at www.pisa.gc.ca.

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BC at a glance . . .

POPULATION (thousands)	Apr 1/02	% change on one year ago
BC	4,118.1	0.9
Canada	31,260.4	0.9
GDP and INCOME		
(BC - at market prices)	2001	% change on one year ago
Gross Domestic Product (GDP) *($ millions)*	130,396	2.2
GDP *($ 1997 millions)*	125,534	0.9
GDP *($ 1997 per Capita)*	30,648	-0.1
Personal Disposable Income *($ 1997 per Capita)*	19,177	0.8
TRADE ($ millions)		
Manufacturing Shipments (seas. adj.) May	2,916	-1.7
Merchandise Exports (raw) May	2,614	-1.8
Retail Sales (seasonally adjusted) May	3,359	6.3
CONSUMER PRICE INDEX		% change on
(all items - 1992=100)	Jun '02	one year ago
BC	118.2	1.6
Canada	119.0	1.3
LABOUR FORCE (thousands)		% change on
(seasonally adjusted)	Jun '02	one year ago
Labour Force - BC	2,158	2.7
Employed - BC	1,969	0.9
Unemployed - BC	189	25.0
		Jun '01
Unemployment Rate - BC *(percent)*	8.7	7.2
Unemployment Rate - Canada *(percent)*	7.5	7.1
INTEREST RATES (percent)	Jul 24/02	Jul 25/01
Prime Business Rate	4.50	6.00
Conventional Mortgages - 1 year	5.55	6.45
- 5 year	7.25	7.75
US/CANADA EXCHANGE RATE	Jul 24/02	Jul 25/01
(avg. noon spot rate) Cdn $	1.5760	1.5375
US $ *(reciprocal of the closing rate)*	0.6392	0.6509
AVERAGE WEEKLY WAGE RATE		% change on
(industrial aggregate - dollars)	Jun '02	one year ago
BC	668.57	3.0
Canada	650.36	2.5

SOURCES:

Population, Gross Domestic Product, Trade, Prices, Labour Force, Wage Rate } Statistics Canada

Interest Rates, Exchange Rates: Bank of Canada Weekly Financial Statistics

For latest Weekly Financial Statistics see www.bankofcanada.ca

New on our Web Site!

SOCIO-ECONOMIC INDICES

... providing comparisons across regions of the province on indicators of human economic hardship, crime, health problems, education concerns, and for two target groups - children at risk and youth at risk. The indices have been designed to aid analysts in their knowledge and understanding of regional conditions. Regional Districts and Local Health Areas are compared on maps and graphs, with supporting and supplementary data in table format.

Also on our site are Socio-Economic Profiles, each a 9 page presentation in table and graph format of indicators for Regional Districts, Local health Areas and College regions are available.

Go to our home page

www.bcstats.gov.bc.ca and select

Regional Economic Indicators

in the **NEW** section.

Released this week by BC STATS

- Consumer Price Index, June, 2002
- Business Indicators, July 2002
- Current Statistics, July 2002

Next week

- No major releases

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